

## FACTS ABOUT PENNSYLVANIA'S OBSTETRIC AND NEONATAL INTENSIVE CARE FUNDING

### The Importance of Hospital Obstetric and Neonatal Intensive Care Funding

- **Obstetrics:** The challenges that affect obstetric services in the commonwealth demonstrate a trend of diminished access to care for pregnant women, due in part to the closing of 50 hospital obstetric (OB) units between 2000 and 2017 (See Figure 1).<sup>1</sup> Reduced access has been most significant in the Western part of the commonwealth, where 43 percent of units were closed during this time period.
- **NICUs:** The number of hospitals with neonatal intensive care units (NICUs) also experienced a 10 percent decrease between 2000 to 2017.<sup>2</sup>
- Many other OB units and NICUs remain at risk, particularly those within the 64 hospitals that received the OB/neonatal disproportionate share hospital (DSH) payment in FY2018.<sup>3</sup>

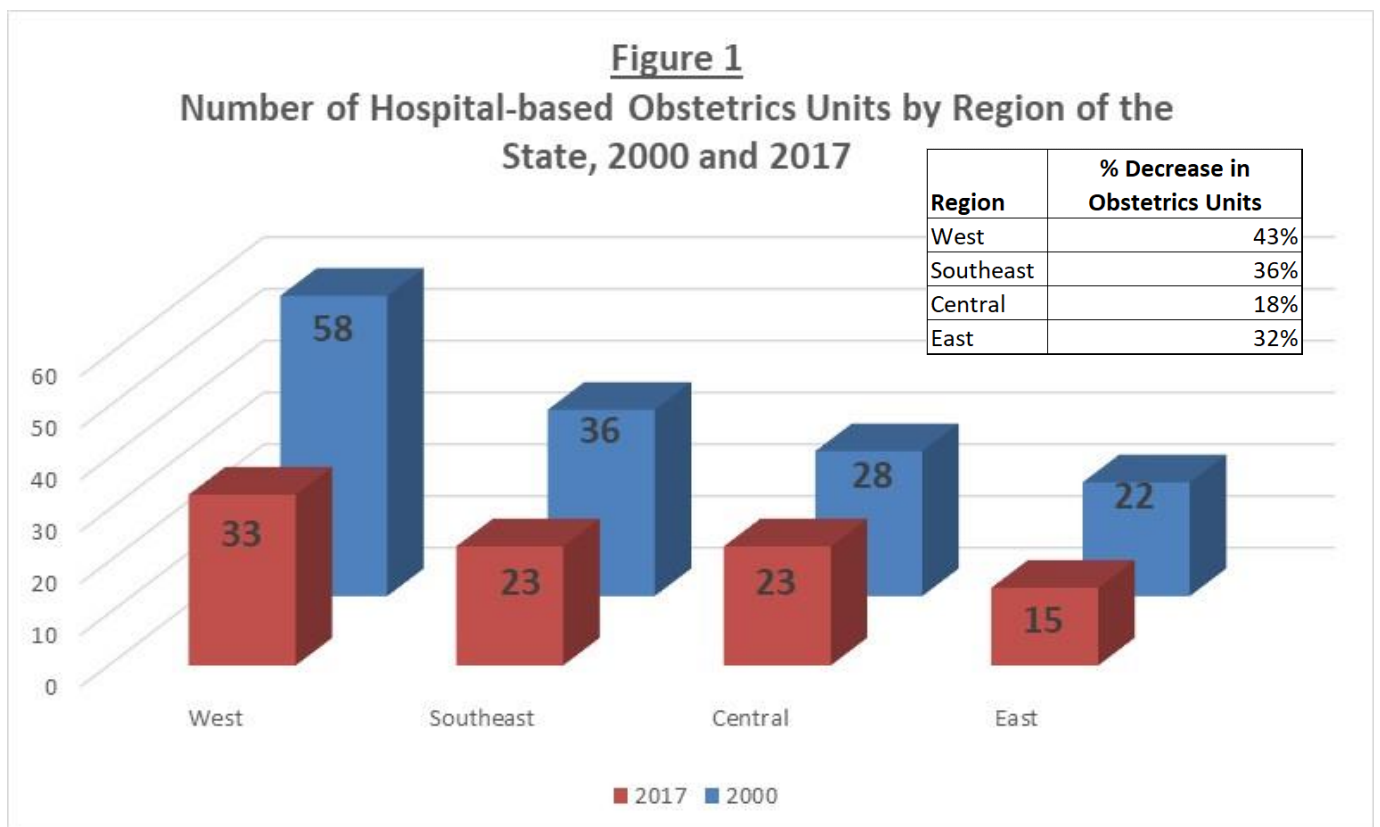


Figure 1 Source: HAP's March 2019 analysis of Pennsylvania Department of Health's Hospital Report dataset from 2000 and 2017.

**MA funding must be maintained to assure continued access to obstetric services for all Pennsylvania expectant mothers and neonatal intensive care services for babies.**

- Each year, more than 135,000 babies are born in Pennsylvania hospitals.<sup>4</sup> Medicaid funded about 40 percent of all 2017 births in Pennsylvania.<sup>5</sup>
- Medicaid is the most important source of financing for the cost of care provided to infants born prematurely and/or with medical problems. It has become critical in financing the care of neonatal abstinence syndrome (NAS), which increased 1,096 percent during the last 16 years.<sup>6</sup> During fiscal year 2017, Medicaid was the anticipated primary payor in 87 percent of NAS-related hospital stays.<sup>7</sup>
- The percentage of low birth weight babies, who need more specialized care, has increased in recent years, from 7.9 percent of births in 2013 to 8.4 percent in 2017<sup>8</sup> (see Figure 2).

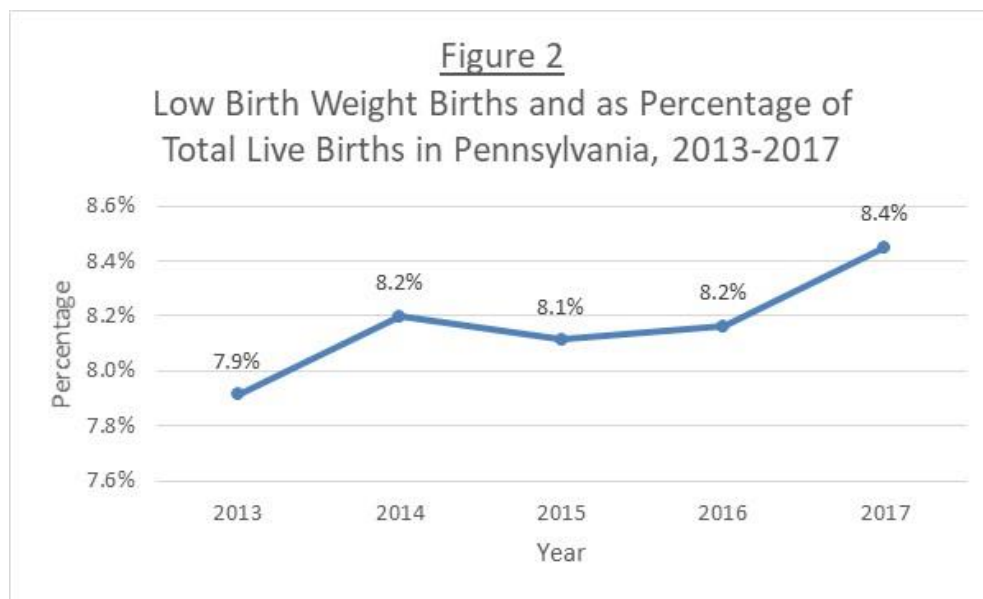


Figure 2 Source: [Resident Live Births by Age of Mother, Birth Weight \(in Grams\) and Year of Birth Counties and Pennsylvania, 2013-2017](#). Department of Health Division of Health Informatics Birth Statistics Reports. Last accessed: 3/12/2019.

- Although Pennsylvania's infant mortality rate has been decreasing in recent years, it remains above the U.S. rate<sup>9</sup> (see Figure 3).

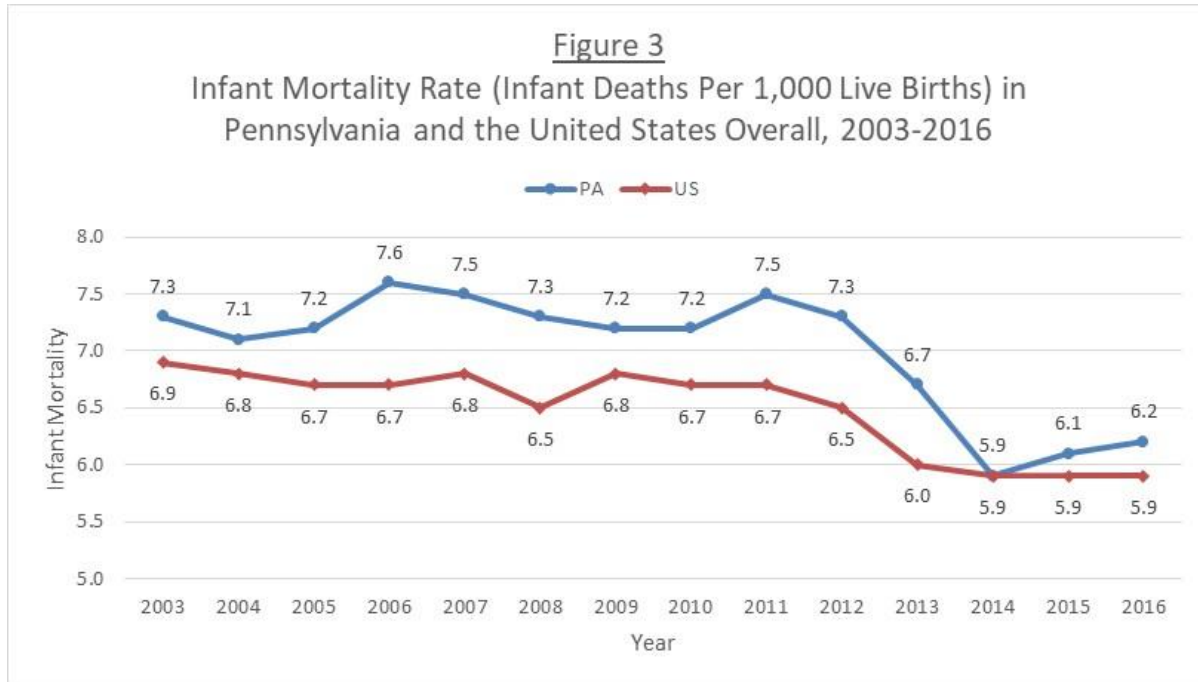


Figure 3 Source: [Linked Birth / Infant Death Records 2007-2016](#), CDC WONDER On-line Database. Last accessed: 3/12/2019.

**Ensuring access to appropriate prenatal, obstetrics, and post-partum services is an essential investment in Pennsylvania's future.**

Challenges:

- Lack of timely access (prenatal, obstetric, and post-partum) for certain populations
- Increasing percentage of births affected by opioids and other substance abuse
- A growing reliance by hospitals with obstetrics services on MA to fund prenatal, obstetric, and postnatal care
- Inadequate reimbursement for such unfunded mandates as increased newborn testing, screening, and reporting
- Continuing effect of Pennsylvania's medical liability coverage crisis, including its impact on the supply of obstetricians, family practitioners, midwives, other allied health professionals. Obstetrics is an area that has been impacted significantly by the liability crisis.

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<sup>1</sup> Based on HAP's March 2019 analysis of Pennsylvania Department of Health's Hospital Report dataset from 2000 and 2017. Note: "obstetrics" units may also refer to hospital units that combine obstetrics and gynecology.

<sup>2</sup> Based on HAP's March 2019 analysis of Pennsylvania Department of Health's Hospital Report dataset from 2000 and 2017. Note: "obstetrics" units may also refer to hospital units that combine obstetrics and gynecology.

<sup>3</sup> Based upon HAP's March 2019 analysis of the FY 2018 OB/NICU DSH payments by hospital, provided to HAP by the Pennsylvania Department of Human Services.

<sup>4</sup> [Resident Live Births by Age of Mother, Birth Weight \(in Grams\) and Year of Birth Counties and Pennsylvania, 2013-2017](#). Department of Health Division of Health Informatics Birth Statistics Reports. Last accessed: 3/12/2019.

<sup>5</sup> Based upon HAP's March 2019 analysis of Pennsylvania Health Care Cost Containment Council (PHC4) 2017 Inpatient Discharge Data.

<sup>6</sup> [Hospitalizations for Newborns with Neonatal Abstinence Syndrome](#). PHC4 Research Brief, 3/2018. Last accessed: 3/12/2019.

<sup>7</sup> [Hospitalizations for Newborns with Neonatal Abstinence Syndrome](#). PHC4 Research Brief, 3/2018. Last accessed: 3/12/2019.

<sup>8</sup> [Resident Live Births by Age of Mother, Birth Weight \(in Grams\) and Year of Birth Counties and Pennsylvania, 2013-2017](#). Department of Health Division of Health Informatics Birth Statistics Reports. Last accessed: 3/12/2019.

<sup>9</sup> [Linked Birth / Infant Death Records 2007-2016](#), CDC WONDER On-line Database. Last accessed: 3/12/2019.